

REQUIRES MONITORING  
OR STAFF ACTION

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>February 7, 2006</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2004-297-S - -</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>	ORDER NO.	<u>-</u>

**SUBJECT:**

DOCKET NO. 2004-297-S – Midlands Utility, Incorporated – Application for Approval of New Schedule of Rates and Charges for Sewerage Service Provided to its Customers in Richland, Lexington, Fairfield and Orangeburg Counties - Oral Arguments were held on October 19, 2005 – Discuss this matter with the Commission.

**COMMISSION ACTION:**

Midlands Utility, Inc. (Midlands) has petitioned the Commission for a declaratory order that it is authorized, under its existing schedule of rates approved by this Commission, to charge its collection-only rates to those customers whose wastewater is treated by other treatment providers without further order of this Commission. For the following reasons, grant the petition of Midlands in part, deny the Office of Regulatory Staff's (ORS) request to order refunds, but require Midlands to provide additional information to its customers.

ORS has argued that Midlands provided insufficient explanation as to: 1) the change in rate schedule for those customers, 2) the collection-only rate and the pass-through mechanism, 3) the amount of the collection-only rate as approved by the Commission and 4) the treatment cost charged by the entity treating the sewerage. While it is a close question, it appears the customers were put on at least inquiry notice that they should investigate the applied-for rate change, and that rate has now been approved. However, this Commission should make clear that in the future, the better practice would be to provide notice that meets ORS' concerns.

The Commission finds that there is to be no refund for this occurrence and that Midlands may continue to bill their clients at the new rates, but that Midlands shall send further explanation to their customers regarding the recent change that addresses the four ORS concerns listed previously.

PRESIDING	<u>Mitchell</u>	Session:	Regular
	MOTION YES NO OTHER	Time of Session	<u>2:30 PM</u>

CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
MITCHELL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Not Voting
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WRIGHT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

RECORDED BY: T. DeSanty

\*Chairman Mitchell was absent from the Oral Arguments Hearing Scheduled on October 19 2005 due to illness.